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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ALASKA

JEANNIE DUVALL,)
)
Plaintiff,)
)
v.)
)
PORTFOLIO RECOVERY)
ASSOCIATES, LLC,)
)
Defendant.)
_____)

Case No. 3:20-cv-00089-JWS

COMPLAINT

COMES NOW plaintiff Jeannie Duvall, by and through counsel, the Northern Justice Project, LLC, and for her complaint against defendant Portfolio Recovery Associates, LLC, alleges and requests relief as follows:

JURISDICTION AND VENUE

1. The jurisdiction of this Court is invoked pursuant to 15 U.S.C. § 1692k(d) and 28 U.S.C. § 1331. This Court has supplemental jurisdiction over plaintiff's state law

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1 claims pursuant to 28 U.S.C. § 1367 because they arise from a common nucleus of
2 operative facts.

3 4 **PARTIES**

5 2. Plaintiff Jeannie Duvall is a natural person residing in Anchorage, Alaska.

6 3. Defendant Portfolio Recovery Associates, LLC (“Portfolio”) is a limited
7 liability company with its principal place of business in Norfolk, Virginia. The principal
8 purpose of Portfolio’s business is the collection of debts, which it accomplishes by use of
9 the mails, telephone, and other instrumentalities of interstate commerce. Portfolio is thus
10 a “debt collector” for purposes of the Fair Debt Collection Practices Act (“FDCPA”) and
11 Alaska’s Unfair Trade Practices and Consumer Protection Act (“UTPA”).
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14 **GENERAL ALLEGATIONS**

15 4. Portfolio is the nation’s second largest debt buyer and debt collector.
16 Portfolio buys charged-off credit card debts from banks and other creditors in bulk
17 portfolios. Portfolio purchases these delinquent accounts for pennies on the dollar and
18 then seeks to collect the full amount of the debt from the alleged debtor by sending
19 dunning letters and filing collection suits. In 2013 alone, Portfolio purchased more than
20 \$4.7 billion of charged-off debts.
21

22 5. When Portfolio purchases debt portfolios, it typically only receives an
23 electronic file, in the form of a spreadsheet, from the seller. The spreadsheet contains
24 certain limited information about the alleged debtor, such as name, address, and social
25 security number, and certain limited information about the alleged debt, such as the
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1 account number, purported amount of the debt, and the alleged dates of origination and
2 default. Portfolio does *not* usually obtain the underlying documents and proof relating to
3 the purchased debts, such as the relevant credit card applications and agreements, copies
4 of monthly statements or credit slips, or a full transactional history of the accounts.
5 Portfolio knows that the information contained in the sale file is often inaccurate,
6 incomplete, or otherwise unreliable and that some of the accounts in the portfolio may be
7 unenforceable.
8

9
10 6. Portfolio churns out approximately 3,000 debt collection suits each week
11 throughout the country. Portfolio does not require its attorneys to verify the debts by
12 reviewing any account-level documents prior to filing suit.
13

14 7. Portfolio files many of its collection suits without having in its possession
15 any admissible evidence, or the ability to get such evidence, to prove up the alleged debts
16 in court. Instead, Portfolio has a pattern and practice of relying on self-serving, robo-
17 signed affidavits which are false and/or misleading because the affiants lack personal
18 knowledge of the matters to which they are attesting. The affidavits often reference
19 various documents without actually attaching them for the court or alleged debtor to
20 review. Portfolio also regularly seeks to collect various credit card fees and charges (such
21 as “credit protection” fees, late fees, and interest) without having in its possession, or the
22 ability to obtain, the actual contract authorizing such charges. The federal Consumer
23 Financial Protection Bureau (“CFPB”) has taken enforcement action against Portfolio for
24 employing these sorts of unfair, deceptive, and illegal debt collection practices.
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1 8. Portfolio engages in these pernicious practices with the knowledge and
2 expectation that only a miniscule number of its collection cases will ever be scrutinized
3 by a judge. Instead of proof, Portfolio relies on a strategy of scattershot litigation and a
4 high-volume default judgment business model, because it knows that the vast majority of
5 consumers sued by Portfolio cannot afford to hire an attorney to defend themselves
6 against Portfolio's baseless collection suits.
7

8
9 9. Since January 1, 2018, Portfolio has filed more than 900 debt collection
10 suits in Alaska.

11 10. On or about August 20, 2019, Portfolio filed a collection suit against
12 plaintiff Jeannie Duvall in Alaska state court. The case was captioned *Portfolio Recovery*
13 *Associates LLC v. Jeannie Duvall*, Case No. 3AN-19-09799 CI. Portfolio claimed to be
14 the assignee of a credit card account allegedly issued to Ms. Duvall by Citibank, N.A.
15 Portfolio sought to collect a "current unpaid balance" of \$1,699.00 from Ms. Duvall.
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18 11. Prior to filing Case No. 3AN-19-09799 CI, Portfolio sent Ms. Duvall three
19 or more dunning letters seeking to collect the alleged balance of \$1,699.00 on the Citibank
20 credit card account. Portfolio also telephoned Ms. Duvall more than 200 times in an
21 attempt to collect this alleged debt.
22

23 12. The alleged balance of \$1,699.00 that Portfolio sought to collect from Ms.
24 Duvall on the Citibank credit card account includes interest charges and "Late Fee"
25 charges which, on information and belief, are not expressly authorized by any signed
26 cardholder agreement creating the debt or permitted by law. As of the date of this
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1 Complaint, Portfolio has been unable to produce the actual credit card agreement(s)
2 applicable to the account. Instead, Portfolio has only produced a generic contract which
3 does not bear Ms. Duvall's name, account number, or signature and has a copyright date
4 of 2016, which is 5 years after the account was allegedly opened in 2011.

6 13. Unlike most Alaskans who are sued by Portfolio, Ms. Duvall obtained legal
7 representation and filed an answer in Case No. 3AN-19-09799 CI on November 11, 2019.
8 In her answer, Ms. Duvall denied Portfolio's allegations concerning the validity of the
9 Citibank debt. Ms. Duvall further averred that the alleged debt was barred by AS
10 06.05.209(a) and 15 U.S.C. §1642, and that Portfolio lacked standing to sue on the
11 account.
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14 14. Despite the fact that Ms. Duvall has disputed the validity of the credit card
15 debts at issue in Case No. 3AN-19-09799 CI, Portfolio has continued to report the debt
16 to credit reporting agencies without communicating to the agencies that the debt is
17 disputed.
18

19 **CLAIMS FOR RELIEF**

20 **COUNT I – VIOLATION OF FAIR DEBT COLLECTION PRACTICES ACT**

21 15. Plaintiff repeats and incorporates by reference the allegations in each of the
22 preceding paragraphs.
23

24 16. The FDCPA broadly prohibits unfair or unconscionable collection debt
25 collection methods; conduct which harasses, oppresses or abuses any debtor; and any
26 false, deceptive or misleading statements made in connection with the collection of a debt;
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1 it also requires debt collectors to give debtors certain information. *See* 15 U.S.C. §§1692d,
2 1692e, 1692f and 1692g.

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4 17. At all times relevant to this action, Portfolio has been a “debt collector”
5 subject to the prohibitions of the FDCPA.

6 18. Portfolio violated 15 U.S.C. § 1692e(8) by reporting the credit card debt at
7 issue in Case No. 3AN-19-09799 CI to one or more credit reporting agencies without
8 communicating to the agencies that the debt is disputed by Ms. Duvall.

9
10 19. Portfolio violated 15 U.S.C. § 1692f(1) by seeking to collect fees and
11 charges from Ms. Duvall with regard to the alleged Citibank credit card debt which are
12 not expressly authorized by the agreement creating the debt or permitted by law.

13
14 **COUNT II – VIOLATIONS OF ALASKA’S UNFAIR TRADE PRACTICES AND**
15 **CONSUMER PROTECTION ACT**

16 20. Plaintiff repeats and incorporates by reference the allegations in each of the
17 preceding paragraphs.

18 21. The UTPA stands as a sentinel against unethical and unscrupulous conduct
19 on the part of independent debt collectors operating in Alaska. *See State v. O’Neill*
20 *Investigations*, 609 P.2d 520, 523 (Alaska 1980).

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22 22. Defendant violated the UTPA by (1) reporting the credit card debt at issue
23 in Case No. 3AN-19-09799 CI to one or more credit reporting agencies without
24 communicating to the agencies that the debt is disputed by Ms. Duvall; (2) seeking to
25 collect fees and charges from Ms. Duvall in addition to the principal amount of the alleged
26 Citibank credit card debt which are not expressly authorized by the agreement creating
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1 the debt or permitted by law.

2 23. Plaintiff has suffered an ascertainable loss of money or property as a result
3 of the defendant's violations of the UTPA.
4

5 **WHEREFORE**, plaintiff prays for the following relief:

6 (1) An award of actual or statutory damages under 15 U.S.C. §1692k(a) in an
7 amount to be determined at trial.
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9 (2) An award of actual or statutory damages under AS 45.50.531(a) in an
10 amount to be determined at trial.

11 (3) An award of full reasonable attorney fees and costs.

12 (4) For such other and further equitable relief as this Court may deem just under
13 the circumstances; and
14

15 All other proper relief.

16 DATED this 20th day of April, 2020.

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18 NORTHERN JUSTICE PROJECT, LLC
19 Attorneys for Plaintiff

20
21 By: /s/ Goriune Dudukgian
22 Goriune Dudukgian, ABA No. 0506051
23 James J. Davis, Jr., ABA No. 9412140
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